STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES Land Division Honolulu, Hawaii 96813

February 22, 2008

Board of Land and Natural Resources State of Hawaii Honolulu, Hawaii

Ref. No.: LOPP-HA-240

HAWAII

Approval of Lease of Private Property with Edward S. Kurokawa and Ms. Janet T. Kurokawa on Behalf of the Department of Health, Clean Air Branch for Air Monitoring Purposes, Lanipuna Gardens, Keahialaka, Puna, Hawaii, Tax Map Key: 3rd/1-3-46: portion of 75

APPLICANT:

DEPARTMENT OF HEALTH, whose business and mailing address is Kinau Hale, 1250 Punchbowl Street, Honolulu, Hawaii 96813.

LANDOWNER:

Mr. Edward S. Kurokawa, Trustee of the Edward S. Kurokawa Trust, dated July 31, 2000, and Ms. Janet T. Kurokawa, Trustee of the Janet T. Kurokawa Trust, dated July 31, 2000, whose mailing address is 84 Laukona Street, Hilo, Hawaii 96720.

LEGAL REFERENCE:

Section 171-30, Hawaii Revised Statutes, as amended.

LOCATION:

Portion of Government lands of "Lanipuna Gardens" situated at Keahialaka, Puna, Hawaii, identified by Tax Map Key: 3rd/1-3-46: portion of 75, as shown on the attached map labeled Exhibit A.

AREA:

.027 acres (900 s.f.), more or less.

ZONING:

State Land Use District:

Agriculture

County of Hawaii CZO:

Agriculture-1A

CHARACTER OF USE:

Solely for the operation of an air monitoring station to monitor ambient concentrations of hydrogen sulfide gas from geothermal activities.

LEASE TERM:

Two (2) years, commencing on August 14, 2008 and expiring on August 13, 2010.

ANNUAL RENT:

\$2,160.00

Payable in quarterly installments by the first of every quarterly calendar period, in the amount of \$540.00. Plus electric and phone charges, estimated at \$180.00 per month.

DCCA VERIFICATION:

Not applicable, Edward S. Kurokawa and Janet T. Kurokawa are landowners and, as such, are not required to register with DCCA.

REMARKS:

By correspondence dated December 12, 2007, the Department of Health, Clean Air Branch (CAB), is requesting approval from the Department of Land and Natural Resources to enter into a lease agreement with Mr. Edward S. Kurokawa and Ms. Janet T. Kurokawa for the use of a portion of their private property located in Lanipuna Gardens, Keahialaka, Puna, Hawai'i, further described as Tax Map Key: 3rd/1-3-46: portion of 75. The 900 square foot plot of a 1.09-acre property will be used by the Department of Health for an air monitoring station.

CAB staff states that they were unable to find State or County owned properties in the area appropriate for the intended purpose and that they have received verbal approval from Mr. and Ms. Kurokawa for the use of their parcel. CAB currently utilizes this portion of the Kurokawa property under LOPP-HA-240, which is scheduled to expire on August 13, 2008. This request is to renew/ extend its current use of the subject area to provide continued operations of its air monitoring station.

The Department of Health currently possesses a Lease of Private Property (LOPP-HA-240) with the Kurokawas, which commenced on August 13, 2005, and is scheduled to expire on August 14, 2008. This request is in anticipation of the expiration of LOPP-HA-240, which warrants approval for another two-year lease, having the same terms and conditions.

CAB staff further states that federal grant money will be used for rental payments and that DAGS approval will not be necessary for disbursement of such payments or for leasing arrangements.

The Department of Health and/or its Clean Air Branch will be responsible for all monitoring and resolution of any and all rental issues pertaining to this lease.

There are no comparable State-owned lands in the immediate vicinity suitable for this purpose. The Department of Health has made prior attempts to contact and negotiate with other adjacent landowners for use of private properties, but their offers were rejected.

The Office of Hawaiian Affairs was solicited for comments, responding that they had no comments to offer.

RECOMMENDATION:

That the Board approve entering into a lease with Edward S. Kurokawa and Janet T. Kurokawa, as Trustees of their respective Trusts, on behalf of the Department of Health, Clean Air Branch, covering the subject area under the terms and conditions cited above, which are by this reference incorporated herein and further subject to the following:

- 1. Review and approval by the Department of the Attorney General; and
- 2. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,

Wesley T. Matsur

Land Agent

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APPROVED FOR SUBMITTAL:

aura H. Thielen, Chairperson

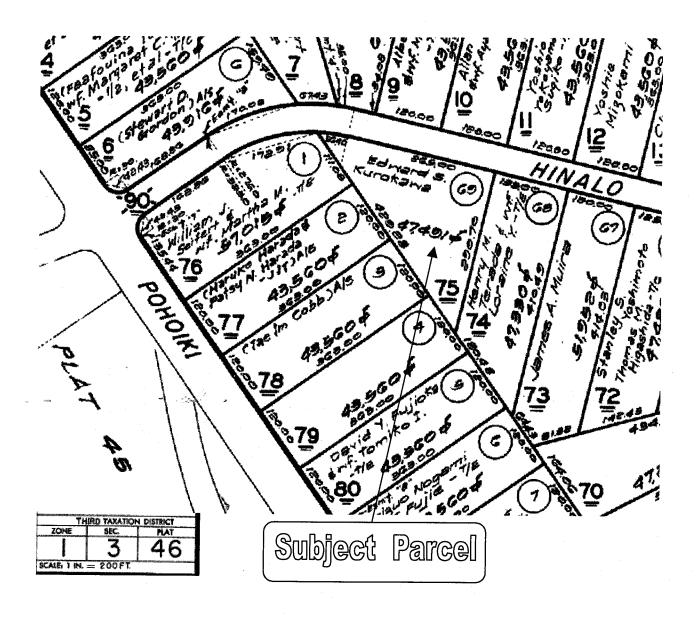


EXHIBIT A